(b) Configuration of the refinery is being finalized. After the DoA is signed, financial appraisal and tie-up of funds for the project will be carried out. The refinery is likely to be commissioned in 60 months' time from the tie-up of funds for the project.

Experiment on bio-diesel

†1682. SHRI MOTILAL VORA:
SHRI JANARDAN DWIVEDI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware that the Central Salts and Marine Chemical Institute has recently carried out an experiment of running 'C' class Mercedes Car making use of a bio-diesel obtained from Ratanjot;

(b) whether it is a fact that Mercedes Car was run successfully upto six thousand Kms. on Indian roads by using the said bio-diesel; and

(c) if so, what steps are being taken by Government to promote the use of bio-fuel in vehicles?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) The Central Salts and Marine Chemical Research Institute (CSMCRI) have stated that M/s. Daimler Chrysler, Germany, who are collaborating with CSMCRI on the bio-diesel project, have undertaken vehicle tests with neat bio-diesel produced by CSMCRI. A Mercedes Benz C 220CDI manual transmission vehicle was used for this purpose without any engine modification except for the replacement of some plastic seals with rubber seal in the fuel system.

During April 2004, a Mercedes Benz C class car with a neat bio-diesel undertook a journey of 6,000 km covering southern, western and northern sites. No problem was encountered in the trip and an average mileage of 13.5 Km/lit. was obtained, which is in line with what is obtained from fossil diesel. Also, no visual or audible change was found in the engine. At present, M/s. Daimler Chrysler India is running the same car for testing bio-diesel produced by CSMCRI in the mountainous terrains of Leh in the Himalayan region from 6th August, 2005.

†Original notice of the question was received in Hindi.

(c) The Planning Commission had set up a Committee on Development of Bio-fuel which recommended the launching of a National Mission on Bio-diesel with special focus on the plantation of Jatropha Curcas. The Ministry of Rural Development is the nodal Ministry for the proposed National Mission on Bio-diesel. That Ministry has had a Detailed Project Report (DPR) prepared. The Planning Commission have recently received the DPR for 'in principle' approval. Independent R&D efforts undertaken by Oil Companies for promoting bio-diesel, both for production and for use of different blends of bio-diesel in petro-diesel in transportation sector have yielded satisfactory results. However, the possibility of future commercial use of bio-diesel as an auto-fuel is dependent on the overall economics of bio-diesel availability at reasonable prices.

Government is also implementing a 5% ethanol-blended petrol programme in notified sugar producing States and adjoining areas in terms of Gazette Notification No. GSR705(E) dated 27.10.2004 and the Memorandum of Understanding signed on 4.8.2005 with the Indian Sugar Mills Association (ISMA).

National Gas Grid

1683. SHRI THANGA TAMIL SELVAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether any pipeline policy has been framed for setting up of National Gas Grid;

(b) if so, the details thereof; and

(c) whether Government will expedite setting up of National Gas Grid to take care of the gas scarcity region in the country?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) The Ministry have proposed a draft Gas Pipeline Policy which envisages the development of a nation-wide gas grid in a competitive environment, involving both the public sector and private sector, under the overview of a Regulator. The draft Pipeline Policy aims to encourage competition, efficiency and greater investment in this sector, all of which will ultimately benefit the consumer and the economy in general. The provisions of the Policy would be in line with the provisions of the proposed Petroleum and Natural Gas Regulatory Board (PNGRB) Act, which is under the active consideration of Government.